



HEALTH QUARTERLY STATEMENT  
AS OF JUNE 30, 2018  
OF THE CONDITION AND AFFAIRS OF THE  
Maine Community Health Options

NAIC Group Code00000000NAIC Company Code15077Employer's ID Number45-3416923

(Current)(Prior)

Organized under the Laws ofMaine, State of Domicile or Port of EntryME

Country of DomicileUnited States of America

Licensed as business type:Life, Accident & Health

Is HMO Federally Qualified? Yes [ ] No [ X ]

Incorporated/Organized09/26/2011Commenced Business01/01/2014

Statutory Home Office150 Mill Street, Suite 3Lewiston , ME, US 04240

(Street and Number)(City or Town, State, Country and Zip Code)

Main Administrative Office150 Mill Street, Suite 3Lewiston , ME, US 04240

(Street and Number)(City or Town, State, Country and Zip Code)

(Area Code) (Telephone Number)

Mail AddressPO Box 1121Lewiston , ME, US 04243-1121

(Street and Number or P.O. Box)(City or Town, State, Country and Zip Code)

Primary Location of Books and Records150 Mill Street, Suite 3Lewiston , ME, US 04240

(Street and Number)(City or Town, State, Country and Zip Code)

(Area Code) (Telephone Number)

Internet Website Addresswww.healthoptions.org

Statutory Statement ContactJoanne Lauterbach207-330-2390

(Name)(Area Code) (Telephone Number)

jlauterbach@healthoptions.org207-402-3318

(E-mail Address)(FAX Number)

OFFICERS

Chief Executive OfficerKevin LewisChief Human Resources OfficerJoyce H McPhetres

Chief Operating OfficerRobert J HillmanChief Financial OfficerEdward J Vozzo

OTHER

William Kilbreth, Chief Information Officer

Edward Yoon, MD #, Chief Medical Officer

DIRECTORS OR TRUSTEES

Fred Craigie Dr.Tonua FedusenkoSarah Hines

Robert Lorenzo #Heidi LukasRocell Marcellino

Jeff Norris #David ShipmanDavid Shultz

W. Douglas SmithLisa Tapert #Ronnie Weston

Douglas Wilson

State ofMaineSS:

County ofAndroscoggin

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Kevin LewisEdward Vozzo

Chief Executive OfficerChief Financial Officer

Subscribed and sworn to before me thisa. Is this an original filing? .....Yes [ X ] No [ ]

day ofb. If no,1. State the amendment number.....

2. Date filed .....

3. Number of pages attached.....

Carrie Bolduc  
Notary  
8/2020

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	45,486,930		45,486,930	36,493,233
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	0
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens.....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ .....				
encumbrances) .....			0	0
4.2 Properties held for the production of income (less				
\$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ .....				
encumbrances) .....			0	0
5. Cash (\$ .....15,483,543 ), cash equivalents				
(\$ .....73,118,970 ) and short-term				
investments (\$ .....2,043,466 ) .....	90,645,979		90,645,979	26,257,532
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....			0	0
8. Other invested assets .....	87,500	87,500	0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	136,220,409	87,500	136,132,909	62,750,765
13. Title plants less \$ ..... charged off (for Title insurers				
only) .....			0	0
14. Investment income due and accrued .....	196,370		196,370	130,316
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	2,764,648	235,556	2,529,092	742,722
15.2 Deferred premiums, agents' balances and installments booked but				
deferred and not yet due (including \$ .....				
earned but unbilled premiums) .....			0	0
15.3 Accrued retrospective premiums (\$ .....201,241 ) and				
contracts subject to redetermination (\$ ..... ) .....	201,241	201,241	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	119,108		119,108	3,908,020
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset .....			0	0
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....	272,185		272,185	430,028
21. Furniture and equipment, including health care delivery assets				
(\$ ..... ) .....	910,074	910,074	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....			0	0
24. Health care (\$ .....4,339,945 ) and other amounts receivable .....	4,381,853	352,165	4,029,688	3,994,539
25. Aggregate write-ins for other than invested assets .....	1,711,908	1,522,823	189,085	981,333
26. Total assets excluding Separate Accounts, Segregated Accounts and				
Protected Cell Accounts (Lines 12 to 25) .....	146,777,796	3,309,359	143,468,437	72,937,723
27. From Separate Accounts, Segregated Accounts and Protected Cell				
Accounts .....			0	0
28. Total (Lines 26 and 27)	146,777,796	3,309,359	143,468,437	72,937,723
DETAILS OF WRITE-INS				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. State Taxes Receivable .....	189,085	0	189,085	981,333
2502. Prepaid Expenses .....	1,319,756	1,319,756	0	0
2503. Miscellaneous receivables .....	187,483	187,483	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	15,584	15,584	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	1,711,908	1,522,823	189,085	981,333

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded) .....	49,464,516		49,464,516	29,072,039
2. Accrued medical incentive pool and bonus amounts .....	220,000		220,000	154,615
3. Unpaid claims adjustment expenses .....	1,165,534		1,165,534	672,190
4. Aggregate health policy reserves, including the liability of \$ .....0 for medical loss ratio rebate per the Public Health Service Act .....	28,481,267		28,481,267	0
5. Aggregate life policy reserves .....			0	0
6. Property/casualty unearned premium reserve .....			0	0
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....	5,413,926		5,413,926	4,336,658
9. General expenses due or accrued .....	6,545,186		6,545,186	3,993,773
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized gains (losses)) .....			0	0
10.2 Net deferred tax liability .....			0	0
11. Ceded reinsurance premiums payable .....			0	0
12. Amounts withheld or retained for the account of others.....	4,122		4,122	660
13. Remittances and items not allocated .....			0	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....	762,911		762,911	906,528
15. Amounts due to parent, subsidiaries and affiliates .....			0	0
16. Derivatives .....			0	0
17. Payable for securities .....			0	0
18. Payable for securities lending .....			0	0
19. Funds held under reinsurance treaties (with \$ ..... authorized reinsurers, \$ ..... unauthorized reinsurers and \$ ..... certified reinsurers).....			0	0
20. Reinsurance in unauthorized and certified (\$ ..... ) companies .....			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
22. Liability for amounts held under uninsured plans .....			0	0
23. Aggregate write-ins for other liabilities (including \$ ..... current) .....	115,480	0	115,480	66,466
24. Total liabilities (Lines 1 to 23) .....	92,172,942	0	92,172,942	39,202,929
25. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	2,589,844
26. Common capital stock .....	XXX	XXX		
27. Preferred capital stock .....	XXX	XXX		
28. Gross paid in and contributed surplus .....	XXX	XXX		
29. Surplus notes .....	XXX	XXX	132,316,124	132,316,124
30. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
31. Unassigned funds (surplus) .....	XXX	XXX	(81,020,629)	(101,171,174)
32. Less treasury stock, at cost:				
32.1 ..... shares common (value included in Line 26 \$ ..... ) .....	XXX	XXX		
32.2 ..... shares preferred (value included in Line 27 \$ ..... ) .....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32) .....	XXX	XXX	51,295,495	33,734,794
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	143,468,437	72,937,723
DETAILS OF WRITE-INS				
2301. Risk Adjustment User Fee Payable .....	115,480		115,480	66,466
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	115,480	0	115,480	66,466
2501. Estimated ACA Insurer Fee .....	XXX	XXX		2,589,844
2502. ....	XXX	XXX		
2503. ....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	XXX	XXX	0	2,589,844
3001. ....	XXX	XXX		
3002. ....	XXX	XXX		
3003. ....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months .....	XXX	326,769	265,286	498,750
2. Net premium income ( including \$ ..... non-health premium income).....	XXX	194,424,221	144,314,176	266,227,778
3. Change in unearned premium reserves and reserve for rate credits.....	XXX		0	
4. Fee-for-service (net of \$ ..... medical expenses).....	XXX			
5. Risk revenue .....	XXX			
6. Aggregate write-ins for other health care related revenues .....	XXX	617,020	0	0
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	195,041,241	144,314,176	266,227,778
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....		89,968,221	65,412,564	135,148,164
10. Other professional services .....		5,795,917	7,138,700	14,947,750
11. Outside referrals .....		43,113	3,997	18,041
12. Emergency room and out-of-area .....		27,703,600	20,854,079	46,411,974
13. Prescription drugs .....		16,001,303	16,521,112	33,958,475
14. Aggregate write-ins for other hospital and medical .....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts .....		181,262	8,359	(57,026)
16. Subtotal (Lines 9 to 15) .....	0	139,693,416	109,938,811	230,427,378
<b>Less:</b>				
17. Net reinsurance recoveries .....		256,581	1,343,088	2,623,137
18. Total hospital and medical (Lines 16 minus 17) .....	0	139,436,835	108,595,723	227,804,241
19. Non-health claims (net) .....				
20. Claims adjustment expenses, including \$ .....3,746,838 cost containment expenses .....		8,119,414	6,396,638	12,525,535
21. General administrative expenses .....		19,665,260	15,228,738	30,477,588
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only) .....		10,481,267		0
23. Total underwriting deductions (Lines 18 through 22).....	0	177,702,776	130,221,099	270,807,364
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	17,338,465	14,093,077	(4,579,586)
25. Net investment income earned .....		536,639	191,635	441,694
26. Net realized capital gains (losses) less capital gains tax of \$ .....		4,843	(132,494)	(132,560)
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	541,482	59,141	309,134
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ .....223,923 )]. .....		(223,923)	(1,538,841)	(2,075,389)
29. Aggregate write-ins for other income or expenses .....	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX	17,656,024	12,613,377	(6,345,841)
31. Federal and foreign income taxes incurred .....	XXX			
32. Net income (loss) (Lines 30 minus 31) .....	XXX	17,656,024	12,613,377	(6,345,841)
<b>DETAILS OF WRITE-INS</b>				
0601. User Fee Revenue – Contraceptive Claims .....	XXX	617,020		0
0602. ....	XXX			
0603. ....	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above) .....	XXX	617,020	0	0
0701. ....	XXX			
0702. ....	XXX			
0703. ....	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798)(Line 7 above) .....	XXX	0	0	0
1401. ....				
1402. ....				
1403. ....				
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above) .....	0	0	0	0
2901. ....				
2902. ....				
2903. ....				
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above) .....	0	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
CAPITAL AND SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year.....	33,734,794	38,617,293	38,617,293
34. Net income or (loss) from Line 32 .....	17,656,024	12,613,377	(6,345,841)
35. Change in valuation basis of aggregate policy and claim reserves .....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....			
37. Change in net unrealized foreign exchange capital gain or (loss) .....			
38. Change in net deferred income tax .....			
39. Change in nonadmitted assets .....	(95,323)	1,695,871	1,503,905
40. Change in unauthorized and certified reinsurance .....	0	0	0
41. Change in treasury stock .....	0	0	0
42. Change in surplus notes .....	0	0	0
43. Cumulative effect of changes in accounting principles.....			
44. Capital Changes:			
44.1 Paid in .....	0	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0	0
44.3 Transferred to surplus.....			
45. Surplus adjustments:			
45.1 Paid in .....	0	0	0
45.2 Transferred to capital (Stock Dividend) .....			
45.3 Transferred from capital .....			
46. Dividends to stockholders .....			
47. Aggregate write-ins for gains or (losses) in surplus .....	0	0	(40,563)
48. Net change in capital & surplus (Lines 34 to 47) .....	17,560,701	14,309,248	(4,882,499)
49. Capital and surplus end of reporting period (Line 33 plus 48)	51,295,495	52,926,541	33,734,794
DETAILS OF WRITE-INS			
4701. Prior years change in accounting for net operating lease .....			(40,563)
4702. ....			
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	0	0	(40,563)

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance .....	211,694,421	118,563,906	266,979,481
2. Net investment income .....	605,933	365,865	592,128
3. Miscellaneous income .....	617,020	0	0
4. Total (Lines 1 to 3) .....	212,917,374	118,929,771	267,571,609
5. Benefit and loss related payments .....	115,190,061	127,476,125	228,352,605
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	25,038,835	26,379,629	48,011,954
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	0	0	0
10. Total (Lines 5 through 9) .....	140,228,896	153,855,754	276,364,559
11. Net cash from operations (Line 4 minus Line 10) .....	72,688,478	(34,925,983)	(8,792,950)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	800,000	37,901,986	40,103,694
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	22,343	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	(330)
12.7 Miscellaneous proceeds .....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	822,343	37,901,986	40,103,364
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	9,854,050	8,021,650	31,182,602
13.2 Stocks .....	0	0	0
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	9,854,050	8,021,650	31,182,602
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(9,031,707)	29,880,336	8,920,762
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0	0
16.3 Borrowed funds .....	(143,617)	0	906,528
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied) .....	875,293	2,338,505	5,756,234
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	731,676	2,338,505	6,662,762
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) ..	64,388,447	(2,707,142)	6,790,574
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	26,257,532	19,466,958	19,466,958
19.2 End of period (Line 18 plus Line 19.1) .....	90,645,979	16,759,816	26,257,532

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1  Total	Comprehensive (Hospital & Medical)		4  Medicare Supplement	5  Vision Only	6  Dental Only	7  Federal Employees Health Benefit Plan	8  Title XVIII Medicare	9  Title XIX Medicaid	10  Other
		2  Individual	3  Group							
Total Members at end of:										
1. Prior Year .....	37,784	28,372	9,412	0	0	0	0	0	0	0
2. First Quarter .....	55,232	44,847	10,385	0	0	0	0	0	0	0
3. Second Quarter .....	52,394	42,593	9,801							
4. Third Quarter .....	0									
5. Current Year	0									
6. Current Year Member Months	326,769	265,838	60,931							
Total Member Ambulatory Encounters for Period:										
7. Physician .....	121,592	99,368	22,224							
8. Non-Physician .....	47,997	38,627	9,370							
9. Total	169,589	137,995	31,594	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	3,023	2,543	480							
11. Number of Inpatient Admissions	788	662	126							
12. Health Premiums Written (a) .....	195,497,152	171,789,965	23,707,187							
13. Life Premiums Direct .....	0									
14. Property/Casualty Premiums Written .....	0									
15. Health Premiums Earned .....	195,497,152	171,789,965	23,707,187							
16. Property/Casualty Premiums Earned .....	0									
17. Amount Paid for Provision of Health Care Services.....	119,595,745	101,019,208	18,576,537							
18. Amount Incurred for Provision of Health Care Services	139,693,416	120,333,464	19,359,952							

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ .....

## CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

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UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid Dec. 31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....	21,678,453	101,524,588	786,243	48,678,273	22,464,696	29,072,039
2. Medicare Supplement .....					0	0
3. Dental Only .....					0	0
4. Vision Only .....					0	0
5. Federal Employees Health Benefits Plan .....					0	0
6. Title XVIII - Medicare .....					0	0
7. Title XIX - Medicaid .....					0	0
8. Other health .....					0	0
9. Health subtotal (Lines 1 to 8) .....	21,678,453	101,524,588	786,243	48,678,273	22,464,696	29,072,039
10. Healthcare receivables (a) .....		4,339,945			0	0
11. Other non-health .....					0	0
12. Medical incentive pools and bonus amounts .....	115,877			220,000	115,877	154,615
13. Totals (Lines 9-10+11+12)	21,794,330	97,184,643	786,243	48,898,273	22,580,573	29,226,654

(a) Excludes \$ loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

For purposes of the quarterly interim financial information, it is presumed that the users of the interim financial information have read or have access to the Annual Statement as of December 31, 2017. This presentation addresses only significant events occurring since the last Annual Statement.

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying financial statements of Maine Community Health Options (the “Company”) have been prepared in conformity with the National Association of Insurance Commissioners’ (“NAIC”) *Annual Statement Instructions* and in accordance with accounting practices prescribed by the NAIC *Accounting Practices and Procedures Manual* (“NAIC SAP”), subject to any deviations prescribed or permitted by the Maine Bureau of Insurance (the “Bureau”).

A reconciliation of the Company’s net income (loss) and capital and surplus between NAIC SAP and practices prescribed and permitted by the Bureau is shown below:

		SSAP #	F/S Page	F/S Line	June 30, 2018	December 31, 2017
NET INCOME (LOSS)						
(1)	Company state basis (Page 4, Line 32, Columns 2 & 4)	XXX	XXX	XXX	\$17,656,024	\$(6,345,841)
(2)	State Prescribed Practices that are an increase/(decrease) from NAIC SAP				—	—
(3)	State Permitted Practices that are an increase/(decrease) from NAIC SAP				—	—
(4)	NAIC SAP (1-2-3=4)				\$17,656,024	\$(6,345,841)
SURPLUS						
(5)	Company state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$51,295,495	\$33,734,794
(6)	State Prescribed Practices that are increase/(decrease) from NAIC SAP				—	—
(7)	State Permitted Practices that are an increase/(decrease) from NAIC SAP				—	—
(8)	NAIC SAP (5-6-7=8)				\$51,295,495	\$33,734,794

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with NAIC Annual Statement Instructions and NAIC SAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. Accounting Policy

Health premiums are earned over the term of the related insurance policies and reinsurance contracts. Premiums written are reported net of excess loss reinsurance ceded and experience rating refunds. Premiums paid by subscribers prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates are subject to approval by the Bureau. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. All other costs, including underwriting expenses, are charged to operations as incurred.

**NOTES TO FINANCIAL STATEMENTS**

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In addition, the Company uses the following accounting policies:

- 1) Short-term investments include investments with maturities of less than one year at the date of acquisition and are reported at amortized cost, which approximates fair value.
- 2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the scientific interest method, using yield to maturity.
- 3) The Company has no investments in common stocks of unaffiliated companies.
- 4) The Company has no investments in preferred stocks.
- 5) The Company has no mortgage loans on real estate.
- 6) The Company has no investments in loan-backed securities.
- 7) The Company has no investments in subsidiaries, controlled and affiliated entities.
- 8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- 9) The Company has no derivative instruments.
- 10) The Company does not currently carry a premium deficiency reserve; therefore use of anticipated investment income as a factor in the calculation is not applicable.
- 11) Unpaid claims and claims adjustment expenses included management's best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates. While management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
- 12) Furniture, equipment and software are capitalized at cost for items greater than \$2000. Depreciation is recorded using the straight-line method over the various assets' estimated useful lives, which range from 2 to 5 years. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized, while maintenance and repairs are charged to expense as incurred.
- 13) Pharmaceutical rebate receivables are recorded when earned based on actual rebate receivables billed and an estimate of receivables based on current utilization of specific pharmaceuticals and provider contract terms.

**D. Going Concern**

Not applicable.

**2. Accounting Changes and Corrections of Errors**

There were no accounting changes or corrections of errors during the six months ended June 30, 2018.

**3. Business Combinations and Goodwill****A. Statutory Purchase Method**

Not Applicable.

**B. Statutory Merger**

Not Applicable.

**C. Assumption Reinsurance**

Not Applicable.

**D. Impairment Loss**

Not Applicable.

**NOTES TO FINANCIAL STATEMENTS**

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**4. Discontinued Operations**

Not Applicable.

**5. Investments**

**A. Mortgage Loans, Including Mezzanine Real Estate Loans**

The Company did not have investments in mortgage loans at June 30, 2018.

**B. Debt Restructuring**

The Company did not have invested assets that were restructured debt at June 30, 2018.

**C. Reverse Mortgages**

The Company did not have investments in reverse mortgages at June 30, 2018.

**D. Loan-Backed Securities**

- (1) Prepayment assumptions for mortgage/loan-backed and structured securities were obtained from broker-dealer survey values or internal estimates.
- (2) The Company did not recognize other-than-temporary impairments on its loaned-backed securities during the six months ended June 30, 2018.
- (3) The Company did not hold other-than-temporarily impaired loan-backed securities at June 30, 2018.
- (4) The Company had no impaired securities for which other-than-temporary impairment had not been recognized in earnings as a realized loss at June 30, 2018.
- (5) The Company had no impaired loaned-backed securities at June 30, 2018.

**E. Dollar Repurchase Agreements and/or Securities Lending Transactions**

- (1) The Company did not have any repurchase agreements at June 30, 2018.
- (2) Not applicable.
- (3) Neither the Company nor its agent has accepted collateral that is permitted by contract or custom to sell or re-pledge as of June 30, 2018.
- (4) Not applicable.
- (5) Not applicable.
- (6) Not applicable.
- (7) Not applicable.

**F. Repurchase Agreements Transactions accounted for as Secured Borrowing**

The Company did not enter into repurchase agreement transactions accounted for as a secured borrowing at June 30, 2018.

**G. Reverse Repurchase Agreements Transaction Accounted for as Secured Borrowing**

The Company did not enter into reverse repurchase agreement transactions accounted for as a secured borrowing at June 30, 2018.

**H. Repurchase Agreements Transactions Accounted for as a Sale**

The Company did not enter into repurchase agreements accounted for as a sale at June 30, 2018.

**NOTES TO FINANCIAL STATEMENTS**

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**I. Reverse Repurchase Agreements Transactions Accounted for a Sale**

The Company did not enter into reverse repurchase agreements accounted for as a sale at June 30, 2018.

**J. Real Estate**

The Company did not have investments in real estate at June 30, 2018.

**K. Low-Income Housing Tax Credits (LIHTC)**

The Company did not invest in properties generating low-income housing tax credits during the six months ended June 30, 2018.

**L. Restricted Assets**

There were no significant changes for the six months ended June 30, 2018.

**M. Working Capital Finance Investments**

The Company did not have any working capital finance investments at June 30, 2018.

**N. Offsetting and Netting of Assets and Liabilities**

The Company did not have any offsetting and netting of financial assets or liabilities at June 30, 2018.

**O. Structured Notes**

The Company did not have any structured notes at June 30, 2018.

**P. 5\* Securities**

The company did not have any 5\* securities at June 30, 2018.

**Q. Short Sales**

The Company did not have any short sales at June 30, 2018.

**R. Prepayment Penalty and Acceleration Fees**

The Company did not have any prepayment penalty or acceleration fees at June 30, 2018 and 2017.

**6. Joint Ventures, Partnerships and Limited Liability Companies**

There were no significant changes for the six months ended June 30, 2018.

**7. Investment Income**

There were no significant changes for the six months ended June 30, 2018.

**8. Derivative Instruments**

There were no significant changes for the six months ended June 30, 2018.

**NOTES TO FINANCIAL STATEMENTS**

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**9. Income Taxes**

The Company is exempt from Federal income taxes under Section 501(c)(29) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Company's federal income tax return is not consolidated with any other entity.

**10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

There were no significant changes for the six months ended June 30, 2018.

**11. Debt****A. Debt, including Capital Notes**

At June 30, 2018 and December 31, 2017, the Company had outstanding a note payable, with a face value and a carry value of \$357,003 and \$338,378 to Mill 2 Storehouse, LLC, for expenses related to leasehold improvements. The note payable was issued May 1, 2014 (the commencement date) and is payable in monthly principal and interest payments of \$7,106 until April 2023. The note is contingent upon the Company remaining in the leased space. If the Company does not renew the lease after the initial five year term, the note will become due 60 days after cancellation. The note carries interest at 6%. As June 30, 2018 and December 31, 2017, the Company paid interest of \$11,261 and \$25,271 on this note.

At June 30, 2018 and December 31, 2017, the Company had outstanding a note payable, with a face value and a carry value of \$268,780 and \$292,401 to Mill 2 Storehouse, LLC, for expenses related to leasehold improvements. The note payable was issued October 1, 2014 (the commencement date) and is payable in monthly principal and interest payments of \$5,350 until April 2023. The note is contingent upon the Company remaining in the leased space. If the Company does not renew the lease after the initial five (5) year term, the note will become due 60 days after cancellation. The note carries interest at 6%. As June 30, 2018 and December 31, 2017, the Company paid interest of \$8,478 and \$19,026 on this note. This note is off-set against leasehold improvements in line 21 of the Asset Schedule.

**B. FHLB (Federal Home Loan Bank) Agreements**

The Company had no FHLB Agreements at June 30, 2018.

**12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans****A. Defined Benefit Plan**

Not Applicable

**B. Defined Benefit Plan Investment Policies and Strategies**

Not Applicable

**C. Defined Benefit Plan Fair Value of Assets**

Not Applicable

**D. Defined Benefit Plan Basis Used to Determine the Overall Expected Rate of Return on Assets Assumption**

Not Applicable

## NOTES TO FINANCIAL STATEMENTS

**E. Defined Contribution Plan:**

The Company maintains a Section 401(k) Retirement Plan for its employees. Elective employee deferrals were matched by the Company in an amount equal to 100% of such deferrals up to a maximum match of 3% of compensation plus 50% of such elective deferrals equal to more than 3% but not exceeding 5% of compensation. The Company's contribution to the plan as of June 30, 2018 was \$154,745.

The Company has a Section 457 (b) Plan for its employees. This Plan limits participation to a select group of management or highly compensated employees (or "top hat" group) and is exempt from most ERISA requirements. The Company made an initial deposit of \$105,000 in 2014. On February 12, 2018 the Company executed a \$22,343 fund withdrawal for the benefit of a retiring executive, the fund had an initial cost of \$17,500 resulting in a realized gain of \$4,843. The remaining funds have not been appropriated to any specific employee. As of June 30, 2018, the fair market value of the fund is \$113,786.

**F. Multiemployer Plans**

Not Applicable

**G. Consolidating/Holding Company Plans**

Not Applicable

**H. Postemployment Benefits and Compensated Absences**

Liabilities for earned not yet taken vacation benefits have been accrued as of June 30, 2018.

**I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)**

Not Applicable

**13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations****(1) – (8)**

No significant change.

**(9) Changes in Special Surplus Funds**

The change in the balance of special surplus funds from the prior year is due to changes in the amounts segregated for the estimated Affordable Care Act health insurer fee. As of June 30, 2018, the Company fully expensed the estimated 2018 insurer fee. The insurer fee was suspended for 2019.

**(10) – (13)**

No significant change.

**14. Liabilities, Contingencies and Assessments**

There were no significant changes for the six months ended June 30, 2018.

**15. Leases**

There were no significant changes for the six months ended June 30, 2018.

NOTES TO FINANCIAL STATEMENTS

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The Company had no financial instruments with off-balance sheet risk at June 30, 2018.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not applicable at June 30, 2018.

B. Transfer and Servicing of Financial Assets

(1) There were no significant changes for the six months ended June 30, 2018.

(2) - (7) Not Applicable.

C. Wash Sales

(1) In the course of the Company’s asset management, securities may be sold and reacquired within 30 days of the sale date to enhance yield on the investments.

(2) At June 30, 2018, there were no wash sales involving securities with an NAIC designation of 3 or below or unrated.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A. Administrative Services Only Plans: Not Applicable.

B. Administrative Services Contract Plans: Not Applicable.

C. Medicare or Similarly Structured Cost-Based Reimbursement Contract: Not Applicable.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Name and Address of Managing General Agent or Third Party Administrator	FEIN NUMBER	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premiums Written/Produced By
Summit Reinsurance Services, Inc. 7030 Pointe Inverness Way, St 350 Fort Wayne, IN 46804	35-2091145	YES	Reinsurance Recoveries	R	1,072,931
Total					1,072,931

- C - Claims Payment
- CA -Claims Adjustment
- R - Reinsurance Ceding
- B - Binding Authority
- P - Premium Collection
- U - Underwriting



NOTES TO FINANCIAL STATEMENTS

20. Fair Value Measurements

A. Fair Value Measurements

The Company had no material assets or liabilities measured and reported at fair value at June 30, 2018.

B. Fair Value Measurements Under Other Accounting Pronouncements

The Company had no material assets or liabilities measured and reported at fair value at June 30, 2018.

C. Financial Instruments

The carrying values and estimated fair values of the Organization’s financial instruments at June 30, 2018 were as follows:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$44,977,193	\$45,486,930	\$-----	\$45,486,930	\$-----	\$-----
Short-term Investments	\$75,155,010	\$75,162,436	\$75,162,436	\$-----	\$-----	\$-----

D. Not Practicable to Estimate Fair Value

There are no financial instruments that were not practicable to estimate at fair value.

21. Other Items

No significant change.

22. Events Subsequent

Subsequent events have been considered through August 13, 2018 for the statutory statements issued on August 14, 2018. The Company’s June 30, 2018 financial statements do not reflect \$10.1 million of net risk adjustment receivable for the 2017 benefit year as reported by the Centers for Medicare & Medicaid Services in its July 9, 2018 release. There were no additional events occurring subsequent to June 30, 2018 requiring disclosure.

23. Reinsurance

There were no significant changes for the six months ended June 30, 2018.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. Not applicable at June 30, 2018.
- B. Not applicable at June 30, 2018.
- C. Not applicable at June 30, 2018.
- D. The Company had no medical loss rebate accruals at June 30, 2018.

NOTES TO FINANCIAL STATEMENTS

E. Risk Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO)? Yes

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

	AMOUNT
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	0
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	49,015
3. Premium adjustments payable due to ACA Risk Adjustment	18,000,000
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	18,000,000
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	49,015
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	0
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	0
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	0
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium .	0
5. Ceded reinsurance premiums payable due to ACA Reinsurance	0
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	0
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	0
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	0
9. ACA Reinsurance contributions – not reported as ceded premium	0
c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	0
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	0
Operations (Revenue & Expense)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	0
4. Effect of ACA Risk Corridors on change in reserves for rate credits	0

NOTES TO FINANCIAL STATEMENTS

(3) Roll forward of prior year ACA risk sharing provisions for the following asset (gross of any non-admission) and liability balances along with the reasons for adjustments to prior year balance.

	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
	1	2	3	4	Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Ref	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulativ e Balance from Prior Years (Col 2 - 4 + 8)
					5	6	7	8		9	10
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)	
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable .....	0	0	0	0	0	0	0		A	0	0
2. Premium adjustments (payable) .....	0	0	0	0	0	0	0	0	B	0	0
3. Subtotal ACA Permanent Risk Adjustment Program	0	0	0	0	0	0	0	0		0	0
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid .....	3,554,638	0	3,435,531	0	119,107	0	0	0	C	119,107	0
2. Amounts recoverable for claims unpaid (contra liability) .....	0	0	0	0	0	0	0	0	D	0	0
3. Amounts receivable relating to uninsured plans .....	0	0	0	0	0	0	0	0	E	0	0
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium .....	0	0	0	0	0	0	0	0	F	0	0
5. Ceded reinsurance premiums payable .....	0	0	0	0	0	0	0	0	G	0	0
6. Liability for amounts held under uninsured plans ..	0	0	0	0	0	0	0	0	H	0	0
7. Subtotal ACA Transitional Reinsurance Program ....	3,554,638	0	3,435,531	0	119,107	0	0	0		119,107	0
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium .....	203,354	0	2,113	0	201,241	0	0	0	I	201,241	0
2. Reserve for rate credits or policy experience rating refunds .....	0	0	0	0	0	0	0	0	J	0	0
3. Subtotal ACA Risk Corridors Program .....	203,354	0	2,113	0	201,241	0	0	0		201,241	0
d. Total for ACA Risk Sharing Provisions	3,757,992	0	3,437,644	0	320,348	0	0	0		320,348	0

Explanation of Adjustments

- A Not Applicable
- B Not Applicable
- C Not Applicable
- D Not Applicable
- E Not Applicable
- F Not Applicable
- G Not Applicable
- H Not Applicable
- I Not Applicable
- J Not Applicable

NOTES TO FINANCIAL STATEMENTS

(4) Roll forward of Risk Corridors Asset and Liability Balances by Program Benefit Year.

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. 2014											
1. Accrued retrospective premium .....	203,354		2,113		201,241	0	0	0	A	201,241	0
2. Reserve for rate credits or policy experience rating refunds .....					0	0			B	0	0
b. 2015											
1. Accrued retrospective premium .....					0	0			C	0	0
2. Reserve for rate credits or policy experience rating refunds .....					0	0			D	0	0
c. 2016											
1. Accrued retrospective premium .....					0	0			E	0	0
2. Reserve for rate credits or policy experience rating refunds .....					0	0			F	0	0
d. Total for Risk Corridors	203,354		2,113		201,241	0				201,241	0

Explanation of Adjustments

- A Not Applicable  
B Not Applicable  
C Not Applicable  
D Not Applicable  
E Not Applicable  
F Not Applicable

24(4)d (Columns 1 through 10) should equal 24E(3)c3 (Column 1 through 10 respectively)

(5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts received from CMS	4 Asset Balance (Gross of Non-admissions) (1-2-3)	5 Non-admitted	6 Net Admitted Asset (4-5)
a. 2014	241,717	0	40,476	201,241	201,241	0
b. 2015	22,739,205	22,739,205	0	0	0	0
c. 2016	31,397,819	31,397,819	0	0	0	0
d. Total (a+b+c)	54,378,741	54,137,024	40,476	201,241	201,241	0

24E(5)d (Columns 4) should equal 24E(3)c1 (Column 9)

24E(5)d (Columns 6) should equal 24E(2)c1

25. Change in Incurred Claims and Claim Adjustment Expenses

- A. Reserves as of June 30, 2018 were \$50,850,050. As of June 30, 2018, \$22,466,520 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$804,209 as a result of re-estimation of unpaid claims and claim adjustments expenses principally on the comprehensive line of business. Therefore, there has been a \$6,628,118 favorable prior year development since December 31, 2017 to June 30, 2018. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.
- B. There were no significant changes in methodologies and assumptions used in calculating the liability for unpaid claims and claims adjustment expenses.

**NOTES TO FINANCIAL STATEMENTS**

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**26. Intercompany Pooling Arrangements**

There were no significant changes for the six months ended June 30, 2018.

**27. Structured Settlements**

There were no significant changes for the six months ended June 30, 2018.

**28. Health Care Receivables**

There were no significant changes for the six months ended June 30, 2018.

**29. Participating Policies**

There were no significant changes for the six months ended June 30, 2018.

**30. Premium Deficiency Reserves**

The Company did not record premium deficiency reserves at June 30, 2018.

**31. Anticipated Salvage and Subrogation**

There were no significant changes for the six months ended June 30, 2018.

STATEMENT AS OF JUNE 30, 2018 OF THE Maine Community Health Options

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes [ ] No [ X ]
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes [ ] No [ ]
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [ ] No [ X ]
- 2.2

If yes, date of change:
- 3.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?  
If yes, complete Schedule Y, Parts 1 and 1A.

Yes [ ] No [ X ]
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes [ ] No [ X ]
- 3.3

If the response to 3.2 is yes, provide a brief description of those changes.
- 3.4

Is the reporting entity publicly traded or a member of a publicly traded group?

Yes [ ] No [ X ]
- 3.5

If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [ ] No [ X ]
- 4.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?  
If yes, attach an explanation.

Yes [ ] No [ X ] N/A [ ]
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2017
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).
- 6.4

By what department or departments?  
Maine Bureau of Insurance
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [ ] No [ ] N/A [ X ]
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [ ] No [ ] N/A [ X ]
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [ ] No [ X ]
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [ ] No [ X ]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [ ] No [ X ]
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

STATEMENT AS OF JUNE 30, 2018 OF THE Maine Community Health Options

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity; (c) Compliance with applicable governmental laws, rules and regulations; (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and (e) Accountability for adherence to the code.

Yes ☒ No ☐
- 9.11

If the response to 9.1 is No, please explain:
- 9.2

Has the code of ethics for senior managers been amended?

Yes ☐ No ☒
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes ☐ No ☒
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes ☐ No ☒
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes ☐ No ☒
- 11.2

If yes, give full and complete information relating thereto:
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$
13.

Amount of real estate and mortgages held in short-term investments:

\$
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes ☐ No ☒
- 14.2

If yes, please complete the following:
- |   | 1   | 2  |
|---|---|--|
|   | Prior Year-End Book/Adjusted Carrying Value | Current Quarter Book/Adjusted Carrying Value |
| 14.21 Bonds   | \$0   | \$   |
| 14.22 Preferred Stock   | \$0   | \$   |
| 14.23 Common Stock  | \$0   | \$   |
| 14.24 Short-Term Investments  | \$0   | \$   |
| 14.25 Mortgage Loans on Real Estate   | \$0   | \$   |
| 14.26 All Other   | \$0   | \$   |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$0   | \$0  |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above                       | \$  | \$   |
- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes ☐ No ☒
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.

Yes ☐ No ☐

STATEMENT AS OF JUNE 30, 2018 OF THE Maine Community Health Options

GENERAL INTERROGATORIES

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

16.3 Total payable for securities lending reported on the liability page.
- \$

0

\$

0

\$

0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
- Yes
- [ X ]
- No
- [ ]

- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Key Private Bank	4900 Tiedeman Road, Brooklyn, OH 44144-2302
US Bank	1555 N. Rivercenter Dr. Suite 300 Milwaukee, WI 53212

- 17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?
- Yes
- [ ]
- No
- [ X ]

- 17.4 If yes, give full information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

- 17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation
Key Private Bank	U

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?
- Yes
- [ X ]
- No
- [ ]

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets?
- Yes
- [ X ]
- No
- [ ]

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
2205	Key Private Bank		Office of the Comptroller of the Currency	DS

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?
- Yes
- [ X ]
- No
- [ ]

- 18.2 If no, list exceptions:

19. By self-designating 5\*GI securities, the reporting entity is certifying the following elements for each self-designated 5\*GI security:
- a. Documentation necessary to permit a full credit analysis of the security does not exist.

b. Issuer or obligor is current on all contracted interest and principal payments.

c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
- Has the reporting entity self-designated 5\*GI securities?
- Yes
- [ ]
- No
- [ X ]



GENERAL INTERROGATORIES

PART 2 - HEALTH

1.

Operating Percentages:

1.1 A&H loss percent

78.9 %

1.2 A&H cost containment percent

1.9 %

1.3 A&H expense percent excluding cost containment expenses

12.4 %

2.1

Do you act as a custodian for health savings accounts?

Yes [ ] No [ X ]

2.2

If yes, please provide the amount of custodial funds held as of the reporting date

.\$

2.3

Do you act as an administrator for health savings accounts?

Yes [ ] No [ X ]

2.4

If yes, please provide the balance of the funds administered as of the reporting date

.\$

3.

Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?

Yes [ X ] No [ ]

3.1

If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?

Yes [ ] No [ ]

## STATEMENT AS OF JUNE 30, 2018 OF THE Maine Community Health Options

## SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

[illegible]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

			1	Direct Business Only						
			2	3	4	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums & Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
States, etc.			Active Status (a)	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX				
1.	Alabama .....	AL	N						.0	
2.	Alaska .....	AK	N						.0	
3.	Arizona .....	AZ	N						.0	
4.	Arkansas .....	AR	N						.0	
5.	California .....	CA	N						.0	
6.	Colorado .....	CO	N						.0	
7.	Connecticut .....	CT	N						.0	
8.	Delaware .....	DE	N						.0	
9.	District of Columbia .....	DC	N						.0	
10.	Florida .....	FL	N						.0	
11.	Georgia .....	GA	N						.0	
12.	Hawaii .....	HI	N						.0	
13.	Idaho .....	ID	N						.0	
14.	Illinois .....	IL	N						.0	
15.	Indiana .....	IN	N						.0	
16.	Iowa .....	IA	N						.0	
17.	Kansas .....	KS	N						.0	
18.	Kentucky .....	KY	N						.0	
19.	Louisiana .....	LA	N						.0	
20.	Maine .....	ME	L	195,497,152					195,497,152	
21.	Maryland .....	MD	N						.0	
22.	Massachusetts .....	MA	N						.0	
23.	Michigan .....	MI	N						.0	
24.	Minnesota .....	MN	N						.0	
25.	Mississippi .....	MS	N						.0	
26.	Missouri .....	MO	N						.0	
27.	Montana .....	MT	N						.0	
28.	Nebraska .....	NE	N						.0	
29.	Nevada .....	NV	N						.0	
30.	New Hampshire .....	NH	L						.0	
31.	New Jersey .....	NJ	N						.0	
32.	New Mexico .....	NM	N						.0	
33.	New York .....	NY	N						.0	
34.	North Carolina .....	NC	N						.0	
35.	North Dakota .....	ND	N						.0	
36.	Ohio .....	OH	N						.0	
37.	Oklahoma .....	OK	N						.0	
38.	Oregon .....	OR	N						.0	
39.	Pennsylvania .....	PA	N						.0	
40.	Rhode Island .....	RI	N						.0	
41.	South Carolina .....	SC	N						.0	
42.	South Dakota .....	SD	N						.0	
43.	Tennessee .....	TN	N						.0	
44.	Texas .....	TX	N						.0	
45.	Utah .....	UT	N						.0	
46.	Vermont .....	VT	N						.0	
47.	Virginia .....	VA	N						.0	
48.	Washington .....	WA	N						.0	
49.	West Virginia .....	WV	N						.0	
50.	Wisconsin .....	WI	N						.0	
51.	Wyoming .....	WY	N						.0	
52.	American Samoa .....	AS	N						.0	
53.	Guam .....	GU	N						.0	
54.	Puerto Rico .....	PR	N						.0	
55.	U.S. Virgin Islands .....	VI	N						.0	
56.	Northern Mariana Islands .....	MP	N						.0	
57.	Canada .....	CAN	N						.0	
58.	Aggregate Other Aliens .....	OT	XXX	.0	.0	.0	.0	.0	.0	.0
59.	Subtotal .....		XXX	195,497,152	.0	.0	.0	.0	195,497,152	.0
60.	Reporting Entity Contributions for Employee Benefit Plans .....		XXX						.0	
61.	Totals (Direct Business) .....		XXX	195,497,152	0	0	0	0	195,497,152	0
DETAILS OF WRITE-INS										
58001.	.....		XXX							
58002.	.....		XXX							
58003.	.....		XXX							
58998.	Summary of remaining write-ins for Line 58 from overflow page .....		XXX	.0	.0	.0	.0	.0	.0	.0
58999.	Totals (Lines 58001 through 58003 plus 58998)(Line 58 above) .....		XXX	0	0	0	0	0	0	0

(a) Active Status Counts:  
L - Licensed or Chartered - Licensed Insurance carrier or domiciled RRG.....2  
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state.....0  
N - None of the above - Not allowed to write business in the state.....55  
R - Registered - Non-domiciled RRGs.....0  
Q - Qualified - Qualified or accredited reinsurer.....0

Schedule Y - Part 1

**N O N E**

Schedule Y - Part 1A - Detail of Insurance Holding Company System

**N O N E**

Schedule Y - Part 1A - Explanations

**N O N E**

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

Response

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? .....

NO

Explanation:

1.

Bar Code:

1. Medicare Part D Coverage Supplement [Document Identifier 365]



STATEMENT AS OF JUNE 30, 2018 OF THE Maine Community Health Options

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Prior Year Net Admitted Assets
2504.	Security Deposits .....	15,584	15,584	0	0
2597.	Summary of remaining write-ins for Line 25 from overflow page	15,584	15,584	0	0

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Current year change in encumbrances .....		
4. Total gain (loss) on disposals .....		
5. Deduct amounts received on disposals .....		
6. Total foreign exchange change in book/adjusted carrying value .....		
7. Deduct current year's other than temporary impairment recognized .....		
8. Deduct current year's depreciation .....		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....		
10. Deduct total nonadmitted amounts .....		
11. Statement value at end of current period (Line 9 minus Line 10) .....		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and mortgage investment and commitment fees .....		
9. Total foreign exchange change in book value/recorded investment including accrued interest .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....		
12. Total valuation allowance .....		
13. Subtotal (Line 11 plus Line 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value at end of current period (Line 13 minus Line 14) .....		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	105,000	105,000
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....	4,843	
7. Deduct amounts received on disposals .....	22,343	
8. Deduct amortization of premium and depreciation .....		
9. Total foreign exchange change in book/adjusted carrying value .....		0
10. Deduct current year's other than temporary impairment recognized .....		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	87,500	105,000
12. Deduct total nonadmitted amounts .....	87,500	105,000
13. Statement value at end of current period (Line 11 minus Line 12) .....	0	0

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	36,493,233	45,655,273
2. Cost of bonds and stocks acquired .....	9,854,050	31,182,602
3. Accrual of discount .....	3,573	3,314
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....		(132,230)
6. Deduct consideration for bonds and stocks disposed of .....	800,000	40,103,694
7. Deduct amortization of premium .....	63,926	112,032
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) .....	45,486,930	36,493,233
12. Deduct total nonadmitted amounts .....		0
13. Statement value at end of current period (Line 11 minus Line 12) .....	45,486,930	36,493,233

STATEMENT AS OF JUNE 30, 2018 OF THE Maine Community Health Options

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a) .....	37,663,555	11,900,550	2,000,000	(33,708)	37,663,555	47,530,396		38,496,613
2. NAIC 2 (a) .....	0				0	0		
3. NAIC 3 (a) .....	0				0	0		
4. NAIC 4 (a) .....	0				0	0		
5. NAIC 5 (a) .....	0				0	0		
6. NAIC 6 (a) .....	0				0	0		
7. Total Bonds	37,663,555	11,900,550	2,000,000	(33,708)	37,663,555	47,530,396	0	38,496,613
PREFERRED STOCK								
8. NAIC 1 .....	0				0	0		0
9. NAIC 2 .....	0				0	0		0
10. NAIC 3 .....	0				0	0		0
11. NAIC 4 .....	0				0	0		0
12. NAIC 5 .....	0				0	0		0
13. NAIC 6 .....	0				0	0		0
14. Total Preferred Stock .....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	37,663,555	11,900,550	2,000,000	(33,708)	37,663,555	47,530,396	0	38,496,613

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:  
NAIC 1 \$ 2,043,466 ; NAIC 2 \$ ; NAIC 3 \$ NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$.



SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals	2,043,466	xxx	2,046,500		

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	2,003,380	11,088,409
2. Cost of short-term investments acquired .....	2,046,500	4,002,330
3. Accrual of discount .....		2,484
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....		(330)
6. Deduct consideration received on disposals .....	2,000,000	13,086,909
7. Deduct amortization of premium .....	6,414	2,604
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	2,043,466	2,003,380
11. Deduct total nonadmitted amounts .....		0
12. Statement value at end of current period (Line 10 minus Line 11)	2,043,466	2,003,380

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

**N O N E**

Schedule DB - Part B - Verification - Futures Contracts

**N O N E**

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

**N O N E**

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

**N O N E**

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of  
Derivatives

**N O N E**

SCHEDULE E - PART 2 - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	11,658,332	0
2. Cost of cash equivalents acquired .....	103,505,093	117,108,268
3. Accrual of discount .....		0
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....	42,044,455	105,449,936
7. Deduct amortization of premium .....		0
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	73,118,970	11,658,332
11. Deduct total nonadmitted amounts .....		0
12. Statement value at end of current period (Line 10 minus Line 11)	73,118,970	11,658,332

Schedule A - Part 2 - Real Estate Acquired and Additions Made

**N O N E**

Schedule A - Part 3 - Real Estate Disposed

**N O N E**

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

**N O N E**

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

**N O N E**

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

**N O N E**

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

**N O N E**

STATEMENT AS OF JUNE 30, 2018 OF THE Maine Community Health Options

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Desig- nation or Market Indicator (a)
037833-BD-1 .....	Apple Inc .....		.06/27/2018 .....	Broker .....		.988,240 .....	1,000,000 .....	2,556 .....	1FE .....
17275R-BD-3 .....	Cisco Systems Inc .....		.06/27/2018 .....	Broker .....		.982,210 .....	1,000,000 .....	7,394 .....	1FE .....
191216-BG-4 .....	Coca-Cola Co .....		.06/27/2018 .....	Broker .....		.993,010 .....	1,000,000 .....	3,947 .....	1FE .....
478160-BM-5 .....	Johnson & Johnson .....		.06/27/2018 .....	Broker .....		.992,020 .....	1,000,000 .....	1,250 .....	1FE .....
48127H-AA-7 .....	JP Morgan Chase & Co .....		.06/27/2018 .....	Broker .....		.991,660 .....	1,000,000 .....	4,094 .....	1FE .....
58933Y-AS-4 .....	Merck & Co Inc .....		.06/27/2018 .....	Broker .....		.986,740 .....	1,000,000 .....	7,143 .....	1FE .....
68389X-BK-0 .....	Oracle Corp .....		.06/07/2018 .....	Broker .....		1,928,720 .....	2,000,000 .....	9,078 .....	1FE .....
71344B-CX-4 .....	Pepsico Inc .....		.06/07/2018 .....	Broker .....		1,000,020 .....	1,000,000 .....	12,400 .....	1FE .....
91324P-OH-3 .....	UnitedHealth Group Inc .....		.06/27/2018 .....	Broker .....		.991,430 .....	1,000,000 .....	1,118 .....	1FE .....
United States						9,854,050	10,000,000	48,981	XXX
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						9,854,050	10,000,000	48,981	XXX
8399997. Total - Bonds - Part 3						9,854,050	10,000,000	48,981	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						9,854,050	10,000,000	48,981	XXX
8999997. Total - Preferred Stocks - Part 3						0	XXX	0	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	XXX
9799997. Total - Common Stocks - Part 3						0	XXX	0	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						0	XXX	0	XXX
9899999. Total - Preferred and Common Stocks						0	XXX	0	XXX
9999999 - Totals						9,854,050	XXX	48,981	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

Schedule D - Part 4 - Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed Of  
**N O N E**

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open  
**N O N E**

Schedule DB - Part B - Section 1 - Futures Contracts Open  
**N O N E**

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made  
**N O N E**

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open  
**N O N E**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By  
**N O N E**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To  
**N O N E**

Schedule DL - Part 1 - Reinvested Collateral Assets Owned  
**N O N E**

Schedule DL - Part 2 - Reinvested Collateral Assets Owned  
**N O N E**

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
					First Month	Second Month	Third Month	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date				*
Key Bank, N.A. .... Port land, ME .....					(1,176,829)	(913,290)	(274,118)	XXX
Key Bank, N.A. .... Port land, ME .....					5,525,161	15,365,162	15,757,661	XXX
0199998. Deposits in ... depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories	XXX	XXX						XXX
0199999. Totals - Open Depositories	XXX	XXX	0	0	4,348,332	14,451,872	15,483,543	XXX
0299998. Deposits in ... depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories	XXX	XXX						XXX
0299999. Totals - Suspended Depositories	XXX	XXX	0	0	0	0	0	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	4,348,332	14,451,872	15,483,543	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999. Total - Cash	XXX	XXX	0	0	4,348,332	14,451,872	15,483,543	XXX

STATEMENT AS OF JUNE 30, 2018 OF THE Maine Community Health Options  
**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

[illegible]